

109TH CONGRESS  
1ST SESSION

# H. R. 64

To repeal the Federal death tax, including the estate and gift taxes and the tax on generation-skipping transfers.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 2005

Mr. COX (for himself, Mr. BONILLA, Mrs. BLACKBURN, Mr. FEENEY, Mr. AKIN, Mr. SHIMKUS, Mr. SHUSTER, Mr. SULLIVAN, Mr. MARIO DIAZ-BALART of Florida, Mr. WELLER, Mr. KING of Iowa, Mrs. MYRICK, Mr. COBLE, Mr. WAMP, Mr. McCRERY, Mr. CUNNINGHAM, Mr. McHUGH, Mr. CANTOR, Mr. CHOCOLA, Mr. GIBBONS, Mr. DREIER, Mr. FOSSELLA, Mr. GARY G. MILLER of California, Mrs. JO ANN DAVIS of Virginia, Mr. NORWOOD, Mr. OTTER, Mr. BLUNT, Mr. FERGUSON, Mr. BROWN of South Carolina, Mr. KINGSTON, Mr. HALL, Mr. MANZULLO, Mr. SIMPSON, Mr. BARTLETT of Maryland, Mr. CALVERT, Mrs. BONO, Mr. OXLEY, Mr. MILLER of Florida, Mr. ISSA, Mr. PENCE, Mr. NEUGEBAUER, Mr. ALEXANDER, Mr. HUNTER, Mr. WILSON of South Carolina, Mr. FRANKS of Arizona, Mrs. MUSGRAVE, Mr. ADERHOLT, Mr. BURTON of Indiana, Mr. TIBERI, Mr. BURGESS, Mr. BOOZMAN, Mr. KLINE, Mr. FORBES, Mr. MACK, Mr. KIRK, Mr. DOOLITTLE, Mr. BOEHNER, Mrs. KELLY, and Mr. JONES of North Carolina) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To repeal the Federal death tax, including the estate and gift taxes and the tax on generation-skipping transfers.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Family Heritage Pres-  
3 ervation Act”.

4 **SEC. 2. FINDINGS.**

5       Congress finds that:

6           (1) Hard working American men and women  
7       spend a lifetime saving to provide for their children  
8       and grandchildren, paying taxes all the while.  
9       Throughout their lives, they pay taxes on the income  
10      and gains from their labor and their investment. Be-  
11      cause of the heavy burden of income taxes, property  
12      taxes, and other levies, it is enormously difficult to  
13      accumulate savings for a family’s future. Worst of  
14      all, when the purpose of that hard earned saving is  
15      about to be achieved, families discover that between  
16      37 percent and 55 percent of their after-tax savings  
17      are confiscated by Federal death taxes.

18           (2) These transfer, estate, and gift taxes punish  
19      lifelong habits of thrift; they discourage entrepre-  
20      neurship; they penalize families; and they have a  
21      negative effect on other tax revenue sources.

22           (3) These taxes raise almost no material rev-  
23      enue for the Federal Government. In fiscal year  
24      2004, they produced about 1 percent of total Fed-  
25      eral revenues.

1           (4) The waste and economic inefficiency caused  
2       by death taxes is well known. American families em-  
3       ploy legions of tax accountants and lawyers each  
4       year to set up trusts and other prolix devices de-  
5       signed to avoid these onerous levies. The make-work  
6       imposed upon the economy comprises billions of dol-  
7       lars.

8           (5) To pay these excessive taxes, many small  
9       businesses must liquidate all or part of their assets.  
10      By causing business closures, these taxes constrict  
11      business activity, increase unemployment, and re-  
12      duce tax revenues to the Federal Government.

13          (6) Repealing these taxes will ensure economic  
14      fairness for all American families and businesses  
15      and economic growth and prosperity for the Nation  
16      as a whole.

17 **SEC. 3. REPEAL OF FEDERAL TRANSFER TAXES.**

18      (a) GENERAL RULE.—Subtitle B of the Internal Rev-  
19      enue Code of 1986 (relating to estate, gift, and genera-  
20      tion-skipping taxes) is hereby repealed.

21      (b) EFFECTIVE DATE.—The repeal made by sub-  
22      section (a) shall apply to the estates of decedents dying,  
23      and gifts and generation-skipping transfers made, after  
24      December 31, 2004.

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